Energy Regulatory Office
(ERO)

Supplier Switching Rule

October 2016
Content

1 Objectives and Scope of Application .................................................................3
2 Terms used ........................................................................................................4
3 Supplier switching in regular cases .................................................................5
4 Objection to Supplier Switch Notice ...............................................................8
5 Appeal ............................................................................................................10
6 Supplier Switch in cases of bankruptcy or liquidation of the Incumbent Supplier .................................................................11
7 Supplier Switch in cases of license revocation .............................................12
8 Supplier Switch in cases when Customer fails to choose New Supplier ...13
This **Rule** (including as subsequently amended) is made in accordance with Article 36 of the Law on Electricity (Law No.05/L-085), and in accordance with Article 6 of **Market Rules**.

**Supplier Switching Rule**

**1 Objectives and Scope of Application**

**1.1 Objectives**

1.1.1 This **Rule** sets out how a **Final Costumer, Household or Non-household Customer** that wishes to change its **Supplier** can be transferred from an **Incumbent Supplier** to a **New Supplier**.

**1.2 Scope**

1.2.1 In this **Rule**, the following principles shall apply:

(a) The right of each **Final, Household or Non-household Customer** to choose his **Supplier** in accordance with terms, conditions and proceedings defined in this **Rule** and to be undertaken by a **Final, Household or Non-household Customer, New Supplier**, relevant **Network Operator, Metering Administration Agent (MAA)** and **Incumbent Supplier** in order for a **Final, Household or Non-household Customer** to change its **Supplier**;

(b) Making possible the **Supplier Switching** by **MAA** in accordance with this **Rule** and terms and condition set on it;

(c) The maintenance by **MAA** of a **Meter Register** to reflect the **Supplier Switching**;

(d) Submission of an **Objection to Supply Switch Notice** to the **MAA** by **Incumbent Supplier** in accordance with paragraph 4 of this **Rule**.

(e) Issuance of final invoice to the **Customer** by **Incumbent Supplier** not later than forty five days (45) after the **Supply Switching Date**;
2 Terms used

2.1 **Metering Administration Agent (MAA)** is established by the Market Operator with responsibilities as set out in paragraph 5.1.2 of Market Rules.

2.2 **Suppliers Switching Date** – is the date on which the New Supplier becomes responsible for the Consumer Supply.

2.3 **Supplier of Last Resort** - is a Supplier determined in accordance with the provisions of the Law on Electricity, which for a limited period of time provides Supply services under regulated Customers who could not contract itself a Supplier or have lost their Supplier.

2.4 **Incumbent Supplier** - is the Supplier that currently operates and is registered to Supply Customers in certain Metering System.

2.5 **New Supplier** - is the Supplier that delivers notice that wants to Supply a Customer from a certain Metering System.

2.6 **Final, Household or Non-household Customer** (hereinafter: Customer) - is the Customer who is free to choose Supplier from whom will buy electricity in accordance with the Law on Electricity.

2.7 **Final settlement** – a common denomination for processes utilized for determining transmission system use by all parties and financial liabilities and payments that derive from such liabilities and liabilities of the parties for the imbalances caused.

2.8 The **Contract** is a Contract concluded between Customer and New Supplier, but it is coming into force on the date of Customer Switch has to become effective.

2.9 **Objection to Supplier Switch** - is a notice submitted by the Incumbent Supplier as objection to transfer Metering System to New Supplier.

2.10 **Supplier Switch** - is the process through which a Final, Household or Non-Household Customer, changes its Supplier.

2.11 All other terms in **bold** will have the same meaning as terms used in the legislation in force, license or Market Rules as appropriate.
3 Supplier switching in regular cases

3.1 After negotiating a new Supply Contract with a New Supplier the Customer shall provide to New Supplier all required information in order to enforce the Supplier Switch. This information shall include:

a) identity of the Customer;

b) identity of the Network Operator responsible for the Metering System that is subject of change of Supplier;

c) numerical identification code of the Metering System;

d) name of the Incumbent Supplier and validity period of the Contract concluded between the Customer and Incumbent Supplier;

e) A written authorization to the New Supplier to carry out transfer procedure on behalf of the Customer, including the termination of the Supply Contract with the Incumbent Supplier.

3.2 After receiving all required information, New Supplier and Customer conclude a new supply Contract.

3.3 After concluding a Contract in accordance with paragraph 3.2, by the request of the New Supplier, the relevant Network Operator within two (2) Business Days of request received, shall provide to the New Supplier necessary data (if they are not public) related to the Supplier Switch in accordance with paragraph 3.4 a), of this Rule.

3.4 After receiving all required information in accordance with paragraph 3.2 and 3.3, a New Supplier submits notification for Supplier Switch to the MAA:

a) following data necessary for the MAA to validate the Supplier Switch:

(i) the identity of the Network Operator responsible for Metering System subject to Supply Switch;

(ii) the unique Meter Reference Number (MRN) allocated by the relevant Network Operator;

(iii) the Metering System Reference Number of the Metering System to which the Meter is allocated;

(iv) the Direction of Flow;

(v) the status of the Meter as (Interval Read Meter or Non-interval Read Meter);
b) name of the Incumbent Supplier and the proposed Supply Switch Date, which must be not less than twenty (20) Business Days after the date of the notice; and

c) warrant to the Market Operator that it has (or will have at the Supply Switch Date) a Contract to Supply a Customer.

3.5 Within two (2) Business Days of receipt of the notice submitted pursuant to paragraph 3.4, MAA will check if data submitted in the Supplier Switch notification are complete and accurate. If the Supplier Switch notification is valid, MAA will notify the Incumbent Supplier and the New Supplier of the valid Supplier Switch notification.

3.6 If data in Supplier Switch notification is incomplete or inaccurate, within two (2) Business Days of receipt of the notice submitted pursuant to paragraph 3.4, MAA will notify the New Supplier of the Supplier Switch notification’s deficiencies and time in which they shall be corrected. New Supplier shall rectify deficiencies within one (1) Business Day as of notification.

3.7 If transfer is notified for the Metering System that is disconnected or in the process of disconnection in accordance with Article 52, Paragraph 2 of the Law on Electricity, MAA will notify the New Supplier.

3.8 If within five (5) Business Days from receipt of notice referred to in paragraph 3.7, there is no Objection to Supplier Switching Notice, Supplier Switch will become unconditional.

3.9 If there was no Objection to Supplier Switch Notice in accordance with paragraph 3.9, within two (2) Business Days, MAA notify Incumbent Supplier, New Supplier, Market Operator and the relevant Network Operator of the Supplier Switch Date.

3.10 Meter Register will be changed by MAA to reflect that the New Supplier will be the Registrant.

3.11 Market Operator will ensure that Metering Data from the relevant Metering System is used for Calculations in the Final Settlement for the Account of the New Supplier from the Supply Switch Date.

The table below provides a brief overview regarding timelines, respectively sent/received documents when MAA has not received an Objection to Supplier Switch Notice.
<table>
<thead>
<tr>
<th>Actions/Documents</th>
<th>New Supplier</th>
<th>MAA</th>
<th>Incumbent Supplier</th>
<th>Network Operator</th>
<th>Market Operator</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Send request related to the Supplier Switch and all required information in accordance with paragraph 3.4 a).</td>
<td>R</td>
<td>S</td>
<td></td>
<td></td>
<td></td>
<td>At least X Business Days prior to Effective Date</td>
</tr>
<tr>
<td>Submit all required information include necessary authorization in accordance with paragraph 3.4.</td>
<td>S</td>
<td>R</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check if data submitted are complete and accurate. If they are not correct, MAA will notify the New Supplier related incorrect data.</td>
<td>R</td>
<td>S</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submit the corrected data.</td>
<td>S</td>
<td>R</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If data submitted in accordance with paragraph 3.4, are correct, MAA will notify Incumbent Supplier and the New Supplier of the valid Supplier Switch notification.</td>
<td>R</td>
<td>S</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td></td>
</tr>
<tr>
<td>There is no Objection to Supplier Switch Notice.</td>
<td>R</td>
<td>S</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAA will notify that the New Supplier will be the Registrant and the Supply Switch Date.</td>
<td>R</td>
<td>S</td>
<td>R</td>
<td>R</td>
<td>R</td>
<td></td>
</tr>
</tbody>
</table>
4 Notice for Objection to Supplier Switch

4.1 Within five (5) Business Days from receipt of the notification referred to in paragraph 3.7, the Incumbent Supplier may submit to MAA an Objection to Supplier Switch Notice if the Customer failed to fulfill its liabilities according to Article 36, paragraph 5 of Law on Electricity.

4.2 If MAA receives an Objection to Supplier Switch Notice within the specified time, then MAA within two (2) Business Days will notify New Supplier of the Objection to Supplier Switch Notice stipulating the reason given in the notice for the Objection to Supplier Switch.

4.3 At any time an Incumbent Supplier who has submitted an Objection to Supplier Switch Notice may notify MAA that they wish to withdraw the Objection to Supply Switch Notice referred to in paragraph 4.1 and MAA will then notify the New Supplier that the Objection to Supplier Switch Notice is no longer in force.

4.4 If, after eight (8) Business Days from receipt of notice referred to in paragraph 3.7 there is an Objection to Supplier Switch Notice that has not been withdrawn then the proposal will lapse, otherwise it will become unconditional.

4.5 Within two (2) Business Days after the date when the proposal made pursuant to paragraph 3.4 became unconditional, the Meter Register will be changed by MAA to reflect that the New Supplier will be the Registrant from the start of that date and MAA will notify Incumbent Supplier, New Supplier, Market Operator and the relevant Network Operator of the Supply Switch Date.

4.6 On receipt of the notice referred to in paragraph 4.5, Market Operator will ensure that Metering Data from the relevant Metering System is used for calculations in the Final Settlement for the Account for the New Supplier from the start of the day referred to in that notice.

The table below provides a brief overview regarding timelines, respectively sent/received documents when MAA has received an Objection to Supplier Switch Notice and thereafter a notice of withdrawal of objection.
<table>
<thead>
<tr>
<th>Actions/Documents</th>
<th>New Supplier</th>
<th>MAA</th>
<th>Incumbent Supplier</th>
<th>Network Operator</th>
<th>Market Operator</th>
<th>Timeframe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Send request related to the Supplier Switch and all required information in accordance with paragraph 3.4 a).</td>
<td>R</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submit all required information include necessary authorization in accordance with paragraph 3.4.</td>
<td>S</td>
<td>R</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check if data submitted are complete and accurate. If they are not correct, MAA will notify the New Supplier related incorrect data.</td>
<td>R</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Submit the corrected data.</td>
<td>S</td>
<td>R</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If data submitted in accordance with paragraph 3.4, are correct, MAA will notify Incumbent Supplier and the New Supplier of the valid Supplier Switch notification.</td>
<td>R</td>
<td></td>
<td></td>
<td>R</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sends an Objection to Supplier Switch Notice giving a reason for the objection.</td>
<td>R</td>
<td></td>
<td></td>
<td>S</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sends notice for the Objection to Supplier Switch giving the reason for objection and identity of Incumbent Supplier.</td>
<td>R</td>
<td></td>
<td></td>
<td>S</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sends notice for withdraw the Objection to Supplier Switch Notice.</td>
<td>R</td>
<td></td>
<td></td>
<td>S</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAA will notify that the Objection to Supplier Switch Notice is no longer in force, New Supplier will be the Registrant and the Supplier Switching Date</td>
<td>R</td>
<td>S</td>
<td></td>
<td>R</td>
<td>R</td>
<td></td>
</tr>
</tbody>
</table>

Timeframe: At least X Business Days prior to Effective Date

Timeframes: 21, 20, 18, 17, 15, 10, 8, 7, 5
5 Appeal

5.1 New Supplier and Incumbent Supplier retain the right to appeal to the ERO.

5.2 If the ERO’s decision upon the appeal in Paragraph 5.1 that a New Supplier has the right to be the Registrant at a specific Metering System and issues a notice requiring the Supplier Switch to take place, then MAA will ensure that Supplier Switch is registered on the date stipulated by ERO and will notify relevant Parties accordingly, that Supplier Switching had become unconditional pursuant to paragraph 4.4.

5.3 The proposed Supply Switch Date will be the date stipulated by the ERO.

5.4 If the ERO’s decision upon the appeal in Paragraph 5.1 that an Incumbent Supplier has the right in his appeal, then the MAA ensures that ERO’s decision will be executed and will notify relevant Parties accordingly.

5.5 Review of disputes shall be according to the Law on Electricity - Article 36, paragraph 7.
6 Supplier Switch in cases of bankruptcy or liquidation of the Incumbent Supplier

6.1 In case of bankruptcy or liquidation of the Incumbent Supplier, Customers who remain without Supply shall be Supplied by Supplier of Last Resort, while the date of Supplier Switch shall be considered the date of suspension of the supply from Incumbent Supplier.

6.2 The Incumbent Supplier is obliged to notify (in accordance with section 21.2, of Market Rules) the Customer, Supplier of Last Resort, ERO, MAA, Market Operator and relevant Network Operator on the day of Supply suspension, within two (2) Business Days before the effective date, after which the Incumbent Supplier shall become unable to Supply the Customer.

6.3 Within three (3) Business Days upon the receiving of the notification by the Incumbent Supplier, MAA will change Meter Register to ensure that the Supplier of Last Resort is the Registrant. As of that day, Market Operator will ensure that Metering Data from the relevant Metering System is used for calculations in the Final Settlement for the Account of the Supplier of Last Resort.

6.4 Supply Guaranteed by Supplier of Last Resort can not last more than sixty days (60) (referred to in Article 39, paragraph 6 of the Law on Electricity) from the date of the right to Guaranteed Supply according to Article 39 paragraph 4 of the Law on Electricity.

6.5 In case of Supplied by the Supplier of Last Resort, the Customer fails to make agreement with New Supplier within timeline stipulated in paragraph 6.4, then the relevant Network Operator will terminate the electricity Supply, in accordance with Article 39, paragraph 7 of the Law on Electricity.
7 Supplier Switch in cases of license revocation

7.1 In case the License held by the Incumbent Supplier expires, is revoked temporarily or otherwise ceased to be in force, then at least fifteen (15) days before the date of License expiration, revocation or otherwise cease to be in force, becomes final, ERO shall inform Supplier of Last Resort, Customer, MAA, Market Operator, Incumbent Supplier and relevant Network Operator on decision and the day of Supplier Switch to Supplier of Last Resort has become effective.

7.2 The Supplier Switch Date shall be the date of expiration, revocation by ERO decision or otherwise cease to be in force of the license becomes final.

7.3 Within three (3) Business Days upon the receiving of the notification by ERO, MAA will change Meter Register to ensure that the Supplier of Last Resort is the Registrant. As of that day, Market Operator will ensure that Metering Data from the relevant Metering System is used for calculations in the Final Settlement for the Account of the Supplier of Last Resort.

7.4 In case the License held by the Incumbent Supplier is revoked, the duration of Supply Guaranteed by the Supplier of Last Resort for Customer shall be in accordance with paragraph 6.4, and the suspension of its Guaranteed Supply of electricity will be in accordance with paragraph 6.5 of this Rule.
8 Supplier Switch in cases when Customer fails to choose New Supplier

8.1 If the Customer fails to change the Incumbent Supplier in accordance with paragraph 1.4, no later than five (5) Business Days before the date of Supplier Switch in accordance with paragraph 1.4, or before the date of contract termination with Incumbent Supplier, Customer shall submit to the Supplier of Last Resort, the application form published by the Supplier of Last Resort.

8.2 Within two (2) Business Days of receipt of the application referred to in paragraph 8.1, the Supplier of Last Resort, shall notify MAA, Market Operator and relevant Network Operator.

8.3 Within three (3) Business Days upon the receiving of a notification by the Supplier of Last Resort in accordance with paragraph 8.2, MAA will change Meter Register to ensure that the Supplier of Last Resort is the Registrant. As of that day, Market Operator will ensure that Metering Data from the relevant Metering System is used in the Settlement Calculations for the Account of the Supplier of Last Resort.

8.4 In case, the Customer has failed to elect (choose) New Supplier, the duration of Supply Guaranteed by Supplier of Last Resort shall be in accordance with paragraph 6.4, while the termination of Supply Guaranteed will be in accordance with paragraph 6.5 of this Rule

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